



Maryland Medical Injury Compensation Reform Act - SB 221/ HB 301

Background:

The cost of medical malpractice insurance to the State's health care providers and its detrimental impact on access to health care by the State's citizens remains a matter of serious concern. Although some stop-gap measures were adopted during the recent special session, true long-term relief is needed. Governor Ehrlich is committed to continuing his fight to bring real legal reforms that will solve the State's medical malpractice insurance crisis.

Governor Ehrlich's Initiative:

- **Cap on Non-economic Damages** - Lower the cap on non-economic (i.e., pain and suffering) damages from \$650,000 to \$500,000; eliminate the \$15,000 annual escalator due to resume in 2009; and provide for a single cap in death cases instead of the 125% cap recently enacted;
- **Collateral Source** - Allow evidence that a person will be compensated from a collateral source (e.g., governmental programs, insurance policies) to be considered when awarding damages. Consideration must also be given to the cost incurred by the person claiming damages in obtaining the collateral source;
- **Tax Consequences of Lost Salary Damages** - Because money paid in these cases is not subject to taxation, the bill requires any award for lost salary be reduced by the income tax that would have been paid;
- **Future Medical Bills** - Require that future medical bills be paid at the Medicare rate of reimbursement;
- **Mandatory Neutral Expert** - Require the court to appoint a neutral expert witness to testify on the issue of the plaintiff or claimant's economic damages and periodic payments;
- **Periodic Payments** - Require that awards or judgments for future medical bills and lost wages for more than \$100,000 be paid by means of periodic payments, based on proposals submitted by each party and the neutral expert appointed by the court. A proposal may recommend purchase an annuity or annuities. The court then selects the best proposal based on the needs of the plaintiff or claimant, along with any appropriate modifications;
- **Expert Witnesses** - Discourage the use of "professional" experts who do not actively practice health care, but make a living by testifying on cases;
- **Daubert Rule** - Establish the Daubert rule in the State, based on a U. S. Supreme Court case establishing standards for determining admissibility of expert testimony;
- **Testimony as Practice of Medicine** - Provide that expert testimony in a malpractice case is considered the practice of medicine, and false testimony is grounds for discipline by the Board of Physicians;
- **Number of Jurors/Judgment Interest** - Establish that there will be at least six jurors in a civil case. Current law allows six jurors only. Also, in civil cases the bill will provide that the legal rate of interest will be based on the one-year Treasury Bill rate, rather than the current 10% rate; and
- **Insurance** - Repeal a recently enacted provision of law requiring Medical Mutual to sell directly to physicians and limiting commissions paid by Medical Mutual.



Waste Management Administration - Lead Poisoning Prevention - SB 212/ HB 251

Background:

The hazards associated with lead paint are the same regardless of the location of the property, whether urban or rural. The vast majority of housing units built before 1950 contain lead paint, and lead is one of the most significant and widespread environmental hazards for young children in Maryland.

The most effective prevention of childhood lead poisoning is to reduce or eliminate exposure. The current lead program, administered by the Department of the Environment (MDE), is a national model for reducing childhood poisoning that can be made even better.

Governor Ehrlich's Initiative:

- The legislation amends Maryland's lead law with the goal of eliminating childhood lead poisoning in the State by 2010. Children are at greatest risk from birth to age six while their neurological systems are developing. The major source of exposure for children is lead paint dust from deteriorated lead paint or from home renovation.
- The legislation reduces the blood lead level that triggers lead hazard reduction treatments for a rental property and initiates medical care and safe housing for children. The blood lead levels in the current statute are based on research that is at least 10 years old. Recent scientific studies have shown that even low levels of lead over a period of time may result in significant and permanent health effects in young children and pregnant women.
- The legislation strengthens MDE's enforcement authority against noncompliant landlords by eliminating the 20-day grace period for outstanding violations and authorizing MDE to seek immediate administrative penalties. The current notice of violation requirement enables property owners to avoid administrative penalties for years of non-compliance by resolving the violation within 20 days.
- In accordance with federal laws and regulations, the Governor's bill amends Maryland's law to include exterior structures. Under the current statute, the exterior surfaces subject to lead hazard reduction do not include structures such as play-ground equipment or benches. This exclusion prohibits a compliant property owner from seeking limited liability protection if the lead poisoning is attributed to the exterior structure.
- The Governor's legislation provides a transition period for persons who purchase non-compliant, affected properties to allow the purchaser time to obtain risk reduction certificates. This amendment will encourage responsible property owners to buy noncompliant properties and make them lead safe, thereby assuring healthy, affordable housing.
- The legislation eliminates confusion for local jurisdictions in processing waivers for the stabilization of exterior paint by making winter waivers of exterior surfaces automatic, unless otherwise ordered by local code officials. Currently, property owners may request a winter waiver from a local code official to stabilize exterior paint from November 1 to April 1. Many local code officials are unaware of their obligations to process these requests, and many jurisdictions do not have the resources to process them.
- The legislation clarifies that a rental property owner is required to obtain only one risk reduction certificate for correcting a single defect when more than one notice of defect may have been issued. Because notices of elevated blood lead levels or notices of defect may be issued from multiple sources (tenant, laboratory, city, state), the rental property owner currently may be required to obtain multiple modified risk reduction certificates for the same triggering event.



GOVERNOR EHRLICH'S

2005 Children's Initiatives



State Government - Executive Department - Children, Youth, and Family Services - SB 222/ HB 293
Department of Human Resources - Disclosure of Information - Hospitals and Birthing Centers - SB 220/ HB 254

Governor Ehrlich's Initiative:

- **Governor's Office for Children, Youth and Families will be restructured.** The restructured office will work to identify interagency gaps in services and place special attention on children with intensive needs that can only be met through coordination across agency lines.
- **A State Interagency Plan** will be developed by the **Governor's Children's Cabinet** (formerly the SubCabinet for Children, Youth and Families). The new three-year plan will promote comprehensive and effective prevention, intervention and treatment services for children and families.
- **The State Plan will give special attention to children and families with intensive needs** – where services need to be provided through more than one State agency. The plan will look to meeting these needs at home and in local communities - reducing reliance on expensive out-of-home placements.
- **The State Plan will link these services** through strategic budgeting and an Interagency Fund that looks at programs across agency lines and breaks down “stove pipes.” This strategy will deal with the whole range of needs for children and their families, look for gaps in services and work to eliminate them. The State Plan will include key programs operated in individual Executive Departments. Changes to these “building block” programs will be reviewed by the entire Children's Cabinet and policy recommendations forwarded to the Governor.
- **Requests from counties for grants** from the State Interagency Fund will be based on a **locally developed Strategies and Priorities Plan for children, youth and family services**. Local Management Boards in each jurisdiction will develop the plan and monitor the performance of each local program. Local plans for adolescent substance abuse prevention and treatment services will reflect coordination with the Local Drug and Alcohol Abuse Councils created by the Governor and General Assembly in 2004.
- **A consolidated Advisory Council on Children, Youth and Families** will support the Children's Cabinet in developing the State Plan and awarding grants from the State Interagency Fund. Members of the Advisory Council will reflect critical policy areas, eliminating the need for six different state councils and commissions and ensuring more comprehensive and better-coordinated policy development.
- **A streamlined decision and review process** will be implemented for children whose intensive needs require out-of-home residential placement. This new process will replace the duplicative layers of bureaucracy that can be an impediment to making quick and appropriate placements.



GOVERNOR EHRLICH'S

2005 Young Driver Initiative



Vehicle Laws - Provisional Drivers - Eligibility for License - SB 206/ HB 244

Vehicle Laws - Learner's Instructional Permits - Requirements - SB 209/ HB 242

Drunk and Drugged Driving - Young Drivers - License Suspension and Revocation - SB 207/ HB 252

Background:

The statistics regarding young drivers are staggering: 106 people between age 13 and 20 were killed on Maryland roads in 2003; one in five teenage drivers is involved in a crash in the first year of driving; motor vehicle crashes are the #1 killer of teenagers nationwide. Through legislation, Governor Ehrlich will address the issues that cause these accidents: inattention, impairment, and inexperience. Further, the Governor's mission is to increase parental involvement while improving the instruction of our young drivers.

Governor Ehrlich's Initiative:

- Minors account for 1.6% of the driving population in Maryland, yet this same population is responsible for 5.3% of the motor vehicle accidents in the State. The Governor's legislation seeks to improve the driving skills of Maryland's young drivers by lengthening the learner's permit period from four months to six months.
- Under the current graduated licensing system, a learner's permit may be obtained at age 15 years, 9 months and must be held for at least four months. The prospective driver may take a road test and obtain a provisional license at age 16 years, 1 month. This legislation would extend that date by two months, to 16 years, 3 months. The National Transportation Safety Board (NTSB) recommends a learner's permit period of at least six months.
- After successful completion of the learner's permit period and passage of the road test, a provisional license is issued to the new driver, for a period of no less than 18 months. In an effort to encourage young drivers to be safer on the road and obey the restrictions of a provisional license, the Governor's legislation will mandate 90-day license suspensions for violations of the seat belt and curfew restrictions during the provisional licensing period.
- If the driver is convicted of a moving violation during the provisional license period, the 18-month "provisional clock" is restarted from the date of the violation. The Governor's legislation will restart the clock after the 90-day suspension is completed for restriction violations- failure to wear a seatbelt or driving between midnight and 6 a.m. Currently, MVA has the authority to suspend, but does not do so, because the law fails to restart the "provisional clock" and nothing would be accomplished except denying a young, inexperienced driver 90 days of valuable practice time.
- The final provision of the Governor's legislation will revoke the license of a driver under the age of 21 convicted of an alcohol or drugged driving offense for three years or until the driver turns 21, whichever is longer. This bill addresses the administrative penalties for drunk and drugged drivers issued by the MVA. Under current law, drivers under 21 convicted of DWI/DUI are not treated any differently under the law than those over 21, despite the fact that alcohol consumption is illegal. This legislation will serve as a powerful deterrent to underage drinking and driving.

There is no excuse for anyone to drive under the influence of drugs or alcohol; this is especially true for those under 21 who are not allowed to consume alcohol in the first place. This bill will establish that drinking and driving while underage is an especially serious violation of the law and deserves a serious punishment.



GOVERNOR EHRLICH'S

2005 Homeland Security & Public Safety Initiative



Department of State Police - Collection of DNA Samples - SB 213/ HB 240

Criminal Procedure - Criminal Justice Information Advisory Board - Membership and Duties - SB 208/ HB 243

Criminal Justice Information System - National Crime Prevention and Privacy Compact - SB 216/ HB 241

Department of State Police - Transfer of the Senator William H. Amoss Fire, Rescue, and Ambulance Fund to the Maryland Emergency Management Agency - SB 214/ HB 239

IDMARYLAND... CONTINUING TO RESPOND TO THE UNPRECEDENTED THREAT TO OUR STATE AND ITS CRITICAL INFRASTRUCTURE

Homeland Security, Public Safety and Criminal Justice systems depend on timely access to accurate data to protect our communities and our airports, harbor, roads and tunnels.

- Governor Ehrlich is recommending \$20.6 million for a major public safety information technology initiative to meet the demand for requests for state-wide criminal record checks for identifications, investigations, gun purchases and bail hearings.
 - \$12.5 million to replace obsolete equipment and expand storage capacity in our state fingerprint identification system
 - \$1.6 million to upgrade arrest booking systems and extend the “Live Scan” electronic fingerprinting system throughout the State
 - \$3 million to replace and upgrade vital technology infrastructure
- Governor Ehrlich's FY 2006 budget also includes \$7.5 million for Maryland State Police “Smart Car” Project – giving troopers direct, real time access to criminal databases.



Homeland Security, Public Safety and Criminal Justice agencies need a unified information technology planning and development system – identification and communications systems must be able to immediately get accurate data to first responders.

- Governor Ehrlich will submit legislation to reduce bureaucracy and improve information technology and communications systems planning between state and local agencies.
- Governor Ehrlich will recommend approval of the National Crime Prevention and Privacy Compact – allowing Maryland secure access to the National Fingerprint File.

Criminal Justice and Public Safety agencies must build capacity to collect and analyze DNA samples that can help close cold cases, convict the guilty and exonerate the innocent.

- Governor Ehrlich will propose legislation to expand the capability to collect DNA samples from convicted felons and enter those samples into the national DNA database.
- Governor Ehrlich will organize a consortium of state and local crime laboratories to promote the use of the highest quality control procedures and most modern equipment and technology available for forensic testing and analysis.

Homeland Security and Public Safety agencies must have a coordinated structure for gathering law enforcement information, preventing threats to public safety and responding to the dangers to our communities and our critical infrastructure.

- The Governor's Office of Homeland Security, Maryland Military Department, and Maryland State Police, in partnership with the FBI, U.S. Attorney, and other public safety entities, established and will provide continued support to the Maryland Coordination and Analysis Center - the first joint federal, state and local intelligence and data collection/analysis center in the nation.



Public Education Bridge to Excellence - Funding - Video Lottery Terminals - SB 205/ HB 255

Background:

Governor Ehrlich will introduce legislation to allow video lottery terminals, underscoring his commitment to solving Maryland's budget crisis and funding the Thornton Commission recommendations regarding adequate funding for public education. It will further support another one of Governor Ehrlich's passions - the horse industry. In addition, this year the legislation will require \$100 million in funding for school construction and renovations and \$50 million in funding to reflect regional differences in the costs of education, the geographical cost of education index. The bill contains the following components:

Governor Ehrlich's Initiative:

Oversight - The State Lottery Commission is charged with regulating video lottery facilities.

Video Lottery Terminals – The bill authorizes video lottery terminals (VLT's) to be placed at four horse race tracks in Maryland – 3,500 each at the Pimlico Race Course in Baltimore City, the Laurel Race Course in Anne Arundel County, and the Rosecroft Raceway in Prince George's County; and 1,000 at the racetrack scheduled to be built in Allegany County. In addition, no more than 4,000 VLT's will be allowed at no more than two non-racetrack destination locations.

License fees for Racetrack Licensees – An enumerated racetrack wanting to operate VLT's must pay an initial license fee. The initial VLT licenses are valid for 15 years.

Minority Participation – A racetrack licensee must offer at least 15% of equity investment to minority businesses if the licensee holds one license and 10% if the licensee holds two or more licenses. For the non-racetrack destination locations, one of the factors to be considered in awarding a license is the percentage of minority participation in the ownership of the facility. A licensee must also meet the minority business participation requirements for facility construction and procurement.

Distribution of Proceeds - The average annual payout percentage to players of VLT's shall be not less than 87% but not more than 95%, unless the Lottery Commission allows a greater percentage. The Comptroller shall distribute the proceeds to a new Education Trust Fund to fund the Thornton Commission's Bridge to Excellence (including the geographical cost of indexing), school construction, VLT licensees, horse race purses and horse breeders (including \$250,000 annually for medical care for jockeys), and local governments where a VLT facility is located.

Non-racetrack Destination Locations - In addition to the four racetracks that are eligible for video lottery operation licenses, up to two non-racetrack destination locations may be awarded licenses. These facilities may only be in Prince George's County, Howard County, Baltimore City, Baltimore County, Harford County, and Cecil County. A nine member Video Lottery Facility Location Commission is established to decide whether to award a license to a non-racetrack destination location. The Video Lottery Facility Location Commission may award up to 4,000 VLT's total.

Local Government Support - In addition to the distribution of funds described above, the bill establishes local development grants for the areas where VLT facilities are located. The proceeds should be used for infrastructure improvements, public safety, and other needs in the communities in the immediate proximity to where the facility is located.

The bill also provides that the State may pay for the reasonable transportation costs necessary to mitigate the impact on the communities in immediate proximity to the VLT facilities and to make VLT facilities accessible to the public.

Compulsive Gambling Fund - The bill assesses a \$390 fee per VLT terminal to be paid by VLT operation licensees that will be placed into a Compulsive Gambling Fund administered by the Department of Health and Mental Hygiene.



Crimes and Criminal Procedure - Victim and Witness Intimidation - SB 188/ HB 248

Crimes - Victim and Witness Intimidation - Death Penalty - SB 219/ HB 246

Background:

Law abiding citizens have been killed or intimidated into silence in Maryland by brazen drug dealers and gang leaders who roam the streets enforcing their “Stop Snitching” code. A DVD recently sold on the streets of Baltimore City shows young men smoking marijuana, waving guns and proclaiming “He’s a rat...He’s a snitch...He’s dead.”

In Baltimore City, homicide prosecutors estimate that witness intimidation occurs in 90% of their cases. In Baltimore County, a 17 year old who witnessed a gang murder and agreed to testify was shot in the back of the head by two friends of the murderer. In January 2005, four men firebombed the home of a community activist in Baltimore as retaliation for the woman informing authorities about drug trafficking in her neighborhood.

Without stronger witness intimidation laws, innocent Marylanders will continue to live under threats of violence simply for working to make their communities safer.

Governor Ehrlich’s Initiative:

- Governor Ehrlich will introduce a victim-witness intimidation bill with teeth. Specifically, Governor Ehrlich’s legislation will:
 - o Make it a crime to induce a victim or witness to not report a crime;
 - o Make it a crime to solicit another person to threaten, harm or damage property of a victim or witness;
 - o Add a maximum fine of \$5,000 to the existing statutory maximum penalty of five years incarceration;
 - o Make it a felony with a maximum penalty of twenty years if the crime for which the victim or witness would testify is a felony;
 - o Increase the penalty for intimidating a juror, witness or officer of the court of the State of the United States to twenty years and a felony if the proceeding involving the juror, witness or officer involves a felony or an attempt, conspiracy or solicitation to commit a felony;
 - o Allow an out-of-court statement from a witness or victim to be used at trial, as an exception to the hearsay rule, against the party that intimidate or killed the witness or victim, or solicited another to have the witness or victim intimidated or killed, thereby making the witness or victim unavailable at the trial for the original crime.
- Witness intimidation is now punished as a misdemeanor with a maximum penalty of 5 years in jail, a similar penalty to racing a horse under a false name. The safety of our neighborhoods and citizens depends on tougher witness intimidation laws.



GOVERNOR EHRLICH'S 2005 Military Retiree Tax Credit



Income Tax - Subtraction Modification - Military Retirement Income - SB 211/ HB 245

Background:

Governor Ehrlich's 2003 Task Force on Military Retirees found that retired military personnel households spent over \$2.5 billion on goods and services in Maryland, generating nearly \$100 million in sales and real estate tax revenues.

Governor Ehrlich believes it should be a foremost priority to attract and retain veterans and retirees. The relocation of these military retirees to a more "tax friendly" state like Pennsylvania, Delaware, North Carolina or New Jersey would jeopardize our state and local economy.

If Maryland does not attract military retirees, the State will lose the skills of highly-trained service personnel who are essential to economic growth as well as lose considerable tax revenue.

Maryland is home to nearly 500,000 veterans, and the number of Maryland's full service, military retirees is expected to increase by 1.5 percent annually.

Governor Ehrlich's Initiative:

- The Governor's legislative proposal will expand the Maryland Income Tax Subtraction modification so that, in the case of qualified Maryland Veterans, 100% of military retirement income is exempted from State taxation if the individual served at least 20 years active duty.
- The Governor's plan, to be phased-in over a five-year period beginning in 2006, will result in approximately \$2.4 million being returned to retirees on their Maryland State tax return beginning in 2007.
- Approximately 46,243 Maryland's full service, retired military citizens would benefit from this legislation.
- This legislation fulfills a commitment Governor Ehrlich made to Maryland's military retirees in the summer of 2002.
- Governor Ehrlich's Fiscal Year 2006 Budget provides the funding necessary for the Maryland General Assembly to make this commitment a reality.
- The Governor's initiative is a significant testament to the men and women who have dedicated their professional lives to the defense, safety and security of our Nation.



Business and Economic Development - Entrepreneurial Investment Technology Tax Credit - SB 218/ HB 249
Research and Development Tax Credit - SB 217/ HB 247

Background:

Maryland is acknowledged as one of the most concentrated research and development centers in the world. Much of Maryland's technology commercialization potential originates with the large presence of federal, academic and private research entities.

Maryland is home to more than 50 federal research labs, and hosts the headquarters of such major research agencies as the National Institutes of Health, the National Security Agency, the Food and Drug Administration and the National Institute of Standards and Technology.

Competition for high paying, highly-skilled jobs in the technology sector is intense across the county. If Maryland is to continue to be an economic engine, it must be competitive in the new economy.

Governor Ehrlich's Initiative:

- Governor Ehrlich will introduce two pieces of legislation to keep Maryland at the forefront of the new economy:
- The Entrepreneurial Investment Technology Tax Credit to stimulate the creation of and investment in early stage bioscience and advanced technology businesses. Qualified individuals will be given the opportunity to invest in promising early-stage bioscience and advanced technology companies. The Governor's plan will encourage more private investments to help businesses grow their technology development cycle, remain competitive in their early stages until they become attractive candidates for venture capital investments. It will also increase the numbers of successful technology startups, create high paying and sustainable jobs in the new economy, and increase opportunities to attract venture capital (VC) funding and the establishment of VC entities in Maryland.
- The Research & Development Tax Credit to extend the State's R&D Tax Credit for tax years beginning before January 1, 2011, increase the limit of each of the two credits to \$6 million and limit the carry-forward from fifteen years to seven years. The use of the credits is dependent upon an entity's ability to generate taxable income. The old R&D Tax Credit statute provided for two tax credits for qualified Maryland research and development. The first was a basic research credit for research expenditures equal to or less than the average expenditure of previous years. The second was a larger growth tax credit for research expenditures in excess of previous year's average. The basic credit was 3% and the growth credit was 10%.
- Both pieces of legislation fulfill recommendations of the Governor's Commission on the Development of Advanced Technology Business, or the "Pappas Commission."



Film Production Activity - Employer Wage Rebate Grant Program - SB 215/ HB 253

Background:

Maryland is losing a large amount of production revenue to Canada and other states as a result of favorable exchange rates and substantial financial and tax incentives.

A recent example is the loss of the Disney feature film Annapolis, which moved production to Philadelphia to take advantage of Pennsylvania's recently passed tax credits, taking an estimated \$10 million in expenditures with it. If this trend continues, it will lead to a net loss of jobs in Maryland, as well as the closure of many businesses that support film production.

Pennsylvania, Illinois and Louisiana are among the states that have recently enacted film incentives – and they are paying off.

Film expenditures reach an estimated \$40 million in Maryland, most of which would be jeopardized by failure to compete for film production activity in Maryland.

Governor Ehrlich's Initiative:

- Governor Ehrlich will introduce legislation to allow a qualified film production company shooting on location in Maryland to claim a grant in the amount of 50% on the first \$25,000 of wages for each employee earning under \$1 million. These grants would be capped at \$2 million per project.
- The grant would only be available to production companies that incur at least \$500,000 in total direct costs in the State of Maryland.
- The Governor's legislation would provide an economic boost to caterers, lumber companies, hotel and inn owners and limousine drivers, all of whom depend on the presence of movie production companies for business.
- The film production employer wage rebate program will attract more large-scale film productions to the State, creating significant economic benefits for Maryland business, as well as a larger tax base and increased employment.
- This bill makes Maryland more competitive with Canada, where production companies receive a 22%-46% tax credit on Canadian labor. Maryland lost the recent telefilm about Chief Charles Moose and the "D.C. Sniper" to Canada, as well as the film "Sum of all Fears," which is primarily set in Baltimore.



Department of Health and Mental Hygiene - Federally Qualified Health Centers Grant Program
SB 210/ HB 250

Background:

Federally Qualified Health Centers (FQHCs) are private, not-for-profit health care centers governed by consumer-dominated boards of directors that provide comprehensive primary care and preventative care to all individuals, regardless of their insurance status or their ability to pay. To be considered an FQHC, a center must serve a federally designated Health Professional Shortage Area, Medically Underserved Area, or Medically Underserved Population.

These centers exist in areas where economic, geographic or cultural barriers limit access to primary health care for the uninsured and medically underserved. Accordingly, FQHCs play a critical role by providing care for medically underserved Marylanders as they provide routine care at a reduced cost and are typically located in inner city or rural areas.

Maryland currently has 47 Medically Underserved Areas and thirteen Federally Qualified Health Centers. In fiscal year 2003, Maryland's Federally Qualified Health Centers served 156,025 patients, who had a total of 677,515 encounters at these centers.

Since FQHCs are nonprofit organizations that serve patients regardless of their ability to pay, these centers must rely on loans, grants, donations and governmental assistance to cover expenses. Many FQHCs are in need of capital assistance, as most grants cannot be used for such projects.

Governor Ehrlich's Initiative:

- Governor Ehrlich's legislation codifies this practice by establishing a Federally Qualified Health Center Program within the Department of Health and Mental Hygiene (DHMH) and allows the DHMH Secretary to recommend grants to counties, municipal corporations, and nonprofit organizations for the following activities related to establishing and maintaining FQHCs: conversion of public buildings; acquisition of existing buildings; renovation of existing space; purchase of capital equipment; or planning, design and construction of new facilities.
- Governor Ehrlich's fiscal year 2005 budget contained \$1.6 million to establish a capital bond program to expand and improve FQHCs and \$2.4 million for five capital projects in Baltimore City (2 projects), Allegany County, Caroline County, and a center to serve Somerset, Wicomico and Worcester Counties. These five primary care centers currently serve 24,849 patients and are expected to serve an additional 14,827 patients with projects funded in part by the Governor's grant program.
- The Governor's fiscal year 2006 budget allocates \$2.4 million for seven capital projects located in Baltimore City (5 projects), Allegany County and Prince George's County. A total of 23,214 additional patients will be served as a result of these projects.



GOVERNOR EHRLICH'S

2005 Federally Qualified Health Centers Initiative



FY 2006 Capital Grant Request

Provider	Jurisdiction	Current Patient Load	Expected Increase in Patient Load	Project Scope
Baltimore Medical Systems	Baltimore City	11,000 patients	4,300 patients	Acquire and renovate a portion of a 60,000 square foot, four-story building to consolidate and expand existing 2 locations.
Family Health Centers of Baltimore	Baltimore City	847 patients	2,053 patients	Acquire, design, and renovate 27,000 square foot, two-story building to expand number and scope of services provided.
Health Care for the Homeless	Baltimore City	4,430 patients	1,329 patients	Construct a 40,000 square foot, three-story building to relocate and expand existing services.
Total Health Care, Inc.	Baltimore City	18,040 patients	2,232 patients	Renovate existing 1,568 square feet of vacant radiology space to convert the area to new mental health services.
Greater Baden Medical Services, Inc.	Prince George's County	3,700 patients	3,800 patients	Design and construct a new 10,000 square foot, one-story medical center to replace existing limited and deteriorating facility.
Tri-State Community Health Center, Inc.	Allegany County	3,000 patients	6,500 patients	Construct 6,568 square feet on second floor to add OB/GYN services.
People's Community Health Center, Inc.	Baltimore City	3,300 patients	3,000 patients	Build-out 6,337 square feet of shell space on second floor to add MH, dental, and other space.
TOTAL		44,317 patients	23,214 patients	